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Fifth District

April 18, 2011

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: William T Fujioka
Chief Executive Officer

MOTION TO SUPPORT LEGISLATION THAT WOULD REQUIRE HEALTH CARE SERVICE PLANS AND HEALTH INSURANCE POLICIES TO PROVIDE COVERAGE FOR THE SCREENING, DIAGNOSIS AND TREATMENT OF AUTISM SPECTRUM DISORDERS (ITEM NO. 73-B, AGENDA OF APRIL 19, 2011)

Item No. 73-B on the April 19, 2011 Agenda is a motion by Supervisors Ridley-Thomas and Knabe instructing the Chief Executive Officer to work with the County's Legislative Advocates in Sacramento to advocate for legislation, which would require health care service plan contracts and health insurance policies to provide coverage for the screening, diagnosis and treatment of autism spectrum disorders.

The following measures addressing coverage for children with autism spectrum disorders have been introduced and are currently being considered by the Legislature:

AB 171 (Beall), which as amended on April 6, 2011, would require that health care service plan contracts and health insurance policies issued, amended, or renewed after January 1, 2012, that provides hospital, medical, or surgical coverage shall provide coverage for the screening, diagnosis and treatment of autism spectrum disorders. The bill also would require:

- Coverage to include behavioral treatment, medication, psychiatric and psychological care, and therapeutic care.

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- Coverage not to be subject to any limits regarding age, number of visits or dollar amounts.
- Coverage not to be subject to lifetime maximums, deductibles, co-payments or co-insurance that is more restrictive than coverage for other physical illnesses covered under health care service plans or health insurance policies.
- Services for autism spectrum disorders would not be required under the California Health Benefit Exchange because these services exceed the essential health care benefits required under the Federal Health Care Reform Act.
- No reimbursement to local agencies is required for mandates imposed by the bill.

According to the author, children and adults with autism spectrum disorders are frequently denied coverage for essential health care services, in violation of the California Mental Health Parity Act. In order to secure necessary treatment, patients are frequently required to pay privately for treatment or spend significant time and resources appealing health plan and insurers denial of treatment.

AB 171 is scheduled for hearing in the Assembly Health Committee on April 26, 2011. There is no support or opposition currently on file.

SB 166 (Steinberg), which as amended on April 4, 2011, would: 1) require health care service plan contracts and health insurance policies to also provide coverage for behavioral intervention therapy, as defined, for pervasive developmental disorder or autism; 2) provide that no benefits are required to be provided that exceed the essential health benefits required under Federal law; and 3) provide that no reimbursement to local agencies is required for mandates imposed by the bill.

SB 166 is scheduled for hearing on April 27, 2011 in the Senate Health Committee. There is no support or opposition currently on file.

The Department of Health Services (DHS) indicates that it does not anticipate significant programmatic or fiscal impacts from the proposed legislation. DHS anticipates substantial benefit to early detection and treatment of autism spectrum disorders, particularly in areas such as speech therapy and other related treatments than can produce positive health outcomes.

The Department of Mental Health (DMH) indicates that autism spectrum disorder is an excluded diagnosis from the Medi-Cal Program; therefore, the department does not treat this disorder. Currently, Regional Centers provide services for individuals with this

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diagnosis. According to DMH, enactment of the proposed legislation would have no effect on the Department at this time. However, when Federal Health Care Reform is fully implemented in 2014, DMH would need to conduct a comprehensive analysis to determine County impact at that time.

The Chief Executive Office Compensation and Benefits Branch indicates that the proposed bills would expand coverage by mandating universal screening of all children regardless of risk for pervasive developmental disorders or autism, and mandate new treatments not required under current law. For the Choices and Options plans, there would be no immediate impact; however, for the Flex and MegaFlex plans, which cover approximately 12 percent of the county workforce, additional costs could be approximately \$300,000 per year for the County.

The County's four health insurance carriers are conducting their own analysis on the potential impact of these bills.

The California Health Benefits Review Program, a State mandated task force charged with providing independent analysis of the medical, financial, and public health impacts of proposed health insurance benefits mandates, estimates the cost impact for large group plan premiums would be a 0.24 percent increase of the premium costs.

Because there is no existing Board policy to require health care service plan contracts and health insurance policies to provide coverage for the screening, diagnosis and treatment of autism spectrum disorders, support for AB 171 and SB 166 is a matter for Board determination.

WTF:RA
MR:RM:lm

c: Executive Office, Board of Supervisors
County Counsel
Mental Health
Health Services